HUD newsletter
OFFICE OF PUBLIC AFFAIRS
U. S. Department of Housing and Urban Development
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President Signs Emergency Housing Act

The Emergency Housing Act of 1975, signed into law by President Ford on July 2, and specifically tailored to meet objections to an earlier version vetoed by the President, was called by the President "crucial to economic recovery." He said at the signing, "This Administration is committed to a prompt recovery of the housing industry and getting construction workers back on the job."

HUD Secretary Hills said earlier "I am confident that this Act, once enacted into law, will provide the tools necessary to guide the housing industry to a full recovery." The new Act allows the President to release up to $10 billion in new authority for Government purchase of home mortgages at subsidized rates. It also permits the Government to co-insure mortgages held by unemployed homeowners threatened with foreclosure and authorizes direct loans of $250 a month for two years.

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All-America City Awards

The *National Municipal League's* *All-America City Awards for 1974* have been announced. Twelve cities across the country were designated in the 26th annual program. This year's cities were honored for human services, crime protection, downtown renewal, governmental improvement and reform, etc. The award-winning cities. . . and their populations are: **Allentown, Pa.,** 109,871; **Excelsior Springs, Mo.,** 9,415; **Fall River, Mass.,** 96,898; **Gardner, Mass.,** 19,748; **Grand Prairie, Tex.,** 52,409; **Norfolk, Neb.,** 18,068; **Pontiac, Mich.,** 86,279; **Raleigh, N.C.,** 123,793; **South El Monte, Calif.,** 16,032; **Spencer, W.Va.,** 2,587; **Spokane, Wash.,** 170,516; and **Wooster, Ohio,** 18,703.

This year's selections were in the small to middle-sized communities, with the largest of the group. . . Spokane at 170,516. Frequently in the past. . . there were winners in the 250,000-500,000-and-above category.

Full details of the awards can be found in the May 1975 issue of *American City*.

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Boston Initiates Rebate Program

Homeowners in Boston can have the city rebate 20 percent of home repair bills. . . up to $3,000. . . under a new plan announced by Mayor Kevin White. Financed by a ***HUD*** *Community Development Block Grant*. . . the program includes such repairs and improvements as water, sewer, heating, electrical, plumbing, insect or rodent eradication, walls, ceilings, and floors, painting, siding, etc. To be eligible. . . the homeowner must have a taxable income of under $16,000.

The Mayor expects that 4,000 homeowners will participate in the first year. . . and that the program will generate $17.5 million of home-improvement business in the city in that period.

Nonessential work. . . such as room additions, swimming pools, and purely decorative work do not qualify for the rebate.

Joint Research Project Launched

***HUD* has helped launch a $700,000 research and demonstration effort to gain new insight and answers to problems besetting some 60 financially-troubled multifamily housing projects in the New York City area backed by the *Federal Government*.**

The study is being funded jointly by ***HUD's Office of Policy Development and Research: HUD's Office of Housing Management;*** the ***Ford Foundation;*** the ***Rockefeller Brothers' Fund;*** and ***Chemical Bank of New York. HUD's*** share of the cost is $480,000.

The projects include 16,500 dwelling units and represent mortgages totaling almost $370 million.

The 30-month demonstration effort will involve the analysis of factors causing financing difficulties in selected multifamily projects, plus the design and testing of new management techniques for treating such problems. New remedial procedures proven effective during the experiment could also give ***HUD*** a prediction capability, or early-warning system, for pinpointing the onset of management and financial problems in future projects.

The demonstration will be carried out by ***Advisory Services for Better Housing (ASBH), Inc.*** of New York City. The ***ASBH*** contract calls for preparation of case studies so that the new procedures can be applied to both public and private multifamily projects throughout the country.

Commenting on the demonstration and its national import, ***HUD*** Assistant Secretary Michael Moskow said: "Projections indicate that by the end of FY 75 more than 200,000 units of multifamily housing will be in projects owned by ***HUD*** or whose mortgages have been assigned to the agency. This represents an aggregate investment to ***HUD*** of more than $2 billion. Unless new methods are found to diagnose and treat projects exhibiting initial signs of financial stress, this pattern of default and foreclosure will be a continuing trend."

About 6 percent of all ***HUD***-insured multifamily projects in the Nation are located in the New York City area. Mr. Moskow noted that the New York City area represents "a microcosm of ills facing multifamily projects, both federally-insured and uninsured." The area, additionally, has "a reservoir of national experts available for consultation on these problems," he said.

HUD Assistant Secretary H.R. Crawford said his ***Office of Housing Management*** is "looking forward to the development of new approaches by ***ASBH*** which will improve ***HUD's*** management capabilities in analyzing and servicing insured projects, both subsidized and unsubsidized." The new techniques could help ***HUD*** establish new criteria for the initiation of mortgages, he said, and the demonstration itself "provides a unique opportunity to design and test alternative approaches to treating financially distressed projects."

Alfred Mills, head of ***ASBH's Board of Directors***, termed the demonstration "a significant first step toward treating what has become a major problem at both the national and local levels." Mr. Mills is also Chairman of the Board of the ***New York Bank for Savings. ASBH***, in carrying out the effort, will work closely with the ***Housing Development Administration of the City of New York*** and with ***HUD's Regional*** and ***Area Offices*** in the city, he said.

For further information: Ms. Frances Levenson, Director, *Advisory Services for Better Housing, Inc.*, 51 East 42nd Street, New York, New York 10017. (212/682-3939).

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National Association of Real Estate Brokers. . . Annual Convention. . . Chicago, August 10-15. **Details: *NAREB*, 1025 Vermont Ave., N.W., Suite 1100, Washington, D.C. 20005 (202/638-7521).**

Metropolitan Association of Urban Designers and Environmental Planners. . . International Congress on Metropolitan Development. . . Amsterdam, the Netherlands, August 11-30. Theme: *Metropolitan Planning and Implementation.* **Details: *Metropolitan Association of Urban Designers and Environmental Planners, Inc.*, P.O. Box 722, Church Street Station, New York, N.Y. 10008.**

Metropolitan Area Study Authorized

HUD* has begun a nationwide search for two metropolitan areas specially qualified to test a promising strategy for local government modernization.** The ***National Academy of Public Administration. . . under contract to ***HUD***. . . will conduct a national competition to select the two areas to carry out a study which could lead to the adoption of an approach known as *two-tiered government.*

The purpose of *two-tiered government* is to help governments in metro areas deal more effectively with their common and interrelated municipal problems. Each of the selected metropolitan areas could receive up to $100,000 in direct support for local costs and must agree to analyze the potential to sort out and shift public services between areawide and neighborhood governments to improve the management and delivery of those services.

HUD Assistant Secretary for Policy Development and Research Michael H. Moskow said the *two-tiered government* study approach is designed to: encourage and assist local government reorganization study efforts; bring the costs and benefits of public services in better balance; and increase citizen involvement. It could also result in economies of scale, and should produce new and innovative ways to deliver and finance public services in urban areas, he said.

The study will focus on local government finances, services, and organization, and will be carried out by panel of local officials and citizens, with supporting staff assistance from the localities. The ***Academy's*** role is to provide financial and administrative support, technical assistance, and national leadership. Eighteen months is allotted for each community to conduct an analysis of its local government system and prepare a report of findings and recommendations for governmental modernization.

The *two-tiered government* approach was developed earlier with ***HUD*** assistance in two metropolitan areas: **Rochester-Monroe County, N.Y.**, and the **Tampa-St. Petersburg, Fla.**, area. Under this approach, study panels of elected and appointed officials and citizens conducted a comprehensive review of their governments and prepared a *two-tiered government* proposal tailored to local government needs. Local self-determination has and will prevail throughout the course of the study, Mr. Moskow said.

Dr. York Willbern, University Professor of Government at Indiana University, will be chairman of an ***Academy*** panel providing overall direction and guidance to the project. This panel includes distinguished scholars and government officials.

Proposals are invited from metropolitan areas in the population range from 250,000 to 2 million which much be submitted to the ***Academy*** by July 10. To be eligible, each area must demonstrate that local elected officials support the study, local leadership is available to serve on the panel, and $50,000 will be available from local funding sources.

For further information: Charles R. Warren, Project Director, *National Academy of Public Administration Foundation*, 1225 Connecticut Ave., N.W., Washington, D.C. 20036. (202/659-9165)

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Remodeling in 1974

The *Census Bureau* estimates 1974 expenditures for remodeling were $21.1 billion . . . an increase of 14 percent over 1973. The details. . . based on ***FHA*** loan data:

	Percent
Major additions & structural alterations	30.4
Exterior finish	21.2
Interior finish	19.0
Heating	8.3
Roofing	5.4
New nonresidential (garages, carports, etc.)	5.1
Plumbing	4.4
Insulation	1.5
Other	4.7

New Publications

Local Growth Management Policy: A Legal Primer... A study carried out under the sponsorship of the *Greater Hartford Process* (a metropolitan-wide development program for the Hartford area)... and published with the aid of the ***Ford Foundation***... written by David Falk and Herbert Franklin of the Washington, D.C., law firm of ***Lane and Edson, P.C.***, and Arthur J. Levin, executive vice president of the ***Potomac Institute***. The ***Institute*** is a Washington-based equal opportunity policy research organization.

The study analyzes legal trends nationally with regard to the authority of localities to adopt comprehensive controls over the volume, timing, and character of urban growth. It specifies criteria that may be used by a court to determine whether a local controlled growth program will be legally sustainable under general principles applicable to land use regulations.

Single copies: $1.00; quantity prices on request; available from the *Potomac Institute*, 1025 Connecticut Ave., N.W., Washington, D.C. 20036.

Questions and Answers about National Flood Insurance Program. A printed list of 45 Q's and A's about the program. **Free from *Federal Insurance Administration, HUD*, Washington, D.C. 20410.**

Strategy for New Community Development in the United States (Community Development Series, 9)... edited by Gideon Golany, ***Pennsylvania State University***. Contains a series of essays by planners, sociologists, academicians, and government officials. 450 pages; **price $22.50. Published by *Halstead Press*, 605 Third Avenue, New York, New York 10016.**

Planning, Women, and Change... by Karen Hapgood and Judith Getzels... sponsored by ***HUD*** and prepared by the ***American Society of Planning Officials***... gives planning agencies a new awareness of, and ability to respond to, the changing roles of women in society. It details changes in female labor force participation and cites major trends affecting women today. Based on a workshop administered by ***ASPO***... the report explores planning concepts of community design, transportation, housing, child care, and social services in an effort to identify issues which have significance for women's lives. 78 pages; **$6.00, prepaid, from *ASPO*, 1313 E. 60th St., Chicago, Illinois 60637.**

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